



**KEN PRUITT**  
*President of the Senate*

## THE FLORIDA LEGISLATURE

### OFFICE OF LEGISLATIVE SERVICES



**MARCO RUBIO**  
*Speaker of the House of  
Representatives*

October 5, 2007

Steven A. Burk, Esquire  
Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202-4497

Re: Lobbyist Registration Informal Opinion No. 07-02

Dear Mr. Burk:

This is in response to your inquiry that states, in pertinent part:

My client is a manufacturer who has facilities in several locations throughout the United States, none of which are located in Florida. Its products are distributed and sold both internationally and domestically, including in Florida. Until recently, all of "A-1 Company's" facilities and operations were part of the same company. However, due to business reasons wholly unrelated to its government affairs activities, the company reorganized itself and assigned its various operating divisions and functions to newly-created subsidiaries, each which has its own separate legal identity.

Under the new structure, "A-1 Company" retained many of the administrative functions typically associated with a company headquarters, such as human resources and finance. "A-1 Company" also retained the government affairs function, including continuing to directly employ its government affairs regional directors, in-house lobbyists, and related support staff. The newly-created subsidiaries were assigned the remainder of the company's functions. "A-2 Company" was assigned supply chain, research and development, and marketing, and "A-3 Company" and "A-4 Company" were each assigned a share of the company's manufacturing facilities.

Although each of "A-1 Company's" former operating divisions is now a subsidiary of "A-1 Company," they continue to perform essentially the same functions as they did prior to the reorganization. That is, regardless of the change in corporate structure, the various companies still continue to operate as one integrated business enterprise. For instance, although the Company's products are now produced by an entity with a different legal identity, they continue to be marketed and sold under the same name as always – "A-1 Company Product" -- and the employees of the various entities – although their paychecks may now come from "A-2 Company" or "A-3 Company" – still present themselves as working for "A-1 Company."

Most importantly, "A-1 Company's" reorganization has not impacted its government affairs activities, including its lobbying. Its in-house government affairs employees, including its lobbyists, continue to be employed by "A-1 Company;" the lobbying firms the company retains continue to contract solely with "A-1 Company;" "A-1 Company" continues to provide the lobbyists with direction, guidance, and priorities; political contributions continue to be made exclusively by and from the funds of "A-1 Company;" "A-1 Company" pays all the costs associated with the company's lobbying, such as registration fees; and each lobbyist presents him or herself as acting on behalf of "A-1 Company," not any of the subsidiaries.

The question you pose in your letter is:

Whether "A-1 Company's" in-house lobbyist employees and its retained lobbying firm are in compliance with Florida law by registering only on behalf of "A-1 Company," or if registration is required on behalf of "A-1 Company" and each of its subsidiaries as well.

Section 11.045(2)(a), Florida Statutes, and Section 1.1(1), Joint Rules of the Florida Legislature, require lobbyists before the Florida Legislature to register for each principal represented. A principal is defined as "the person, firm, corporation, or other entity which has employed or retained a lobbyist." Section 11.045(1)(i), Florida Statutes.

You state that "A-1 Company" employs the in-house government affairs employees who lobby the legislature, and that the lobbying firms the company retains contract solely with "A-1 Company." In addition, each lobbyist presents him or herself as acting on behalf of "A-1 Company," not any of the subsidiaries. Since "A-1 Company" is the corporation that employs or retains the lobbyist, "A-1 Company" is the principal.

On the facts you have presented, it is my opinion that "A-1 Company's" in-house lobbyist employees and the outside lobbyists it retains will be in compliance with Florida law

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by registering on behalf of "A-1 Company," and that registration on behalf of "A-1 Company" and each of its subsidiaries as well is not required.

Please do not hesitate to inquire again if the above opinion does not adequately answer your question.

Sincerely,

Christiana T. Moore  
General Counsel

CTM:me

cc: Honorable Ken Pruitt, President of the Florida Senate  
Honorable Marco Rubio, Speaker of the Florida House of Representatives  
Honorable Jim King, Jr., Chair, Senate Committee on Rules  
Honorable David Rivera, Chair, House Rules and Calendar Council

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bcc: Jeremiah Hawkes, House General Counsel  
D. Stephen Kahn, Senate General Counsel  
Philip Claypool, Executive Director and General Counsel  
Commission on Ethics